

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building
Room 210
9:00 a.m.
April 26, 2017
TELEPHONE MEETING

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Kadee Wright, Chief Investigator*
Justin Barney, Hearing Officer
Elizabeth Harris, Assistant Attorney General
Amber Nielsen, Board Secretary
Eric Stott, Real Estate Analyst
Kendelle Christiansen, Education Coordinator
Jim Bolton, Investigator
Craig Livingston, Investigator
Faruk Halilovic, Division Staff

*Arrived at 9:28 a.m.

BOARD MEMBERS PRESENT:

Kristin Coleman-Nicholl, Chair
John E. Ulibarri, II, Vice Chair
Jim Bringham, Board Member
Jeffrey T. Morley, Board Member
Richard Sloan, Board Member

The April 26, 2017 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Coleman-Nicholl conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – Mr. Barney noted on page four of the draft minutes that the word “earliest” be added to clarify that the motion on the amendment clarified the earliest effective date instead of the proposed effective date. Vice Chair Ulibarri noted that on the fourth page of the minutes he was incorrectly referred to as “Chair Ulibarri”; this is to be updated to state “Vice Chair Ulibarri.” A motion was made and seconded to approve the March 22, 2017 minutes as amended. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion carries.

Public Comment Period – No public comment was made at this time.

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart reported the Division Bill was signed by the Governor and will become effective May 9, 2017. He reported the new fees will become effective July 1, 2017. Some appraisers have asked if they let their license or certification expire if they would be able to renew late at the cost of the decreased fee. Director Stewart reported this was not possible; all renewal fees will be charged based on the renewal fee required by the official renewal date.

Director Stewart reported he, Mr. Fagergren, and Ms. Wright attended the UAA Conference and Expo last Friday and spoke to a group of approximately 50 appraisers. Director Stewart stated he spoke about legislation and administrative rules, Mr. Fagergren spoke about appraiser statistics and the AQB. Craig Morley would like to make this an annual event. Director Stewart feels this is a great way to educate and help the appraisal industry. Board Member Morley he attended that conference and it was a good event. He also mentioned that Mr. Fagergren's binder was left at the conference. He will return the binder to Mr. Fagergren when he attends the upcoming Caravan course in St George.

ENFORCEMENT REPORT

Director Stewart presented on behalf of Ms. Wright as was coming in late this morning. Director Stewart reported there had been an issue with the statistics which led to an audit of the enforcement statistics. The statistics starting this month should be accurate. Director Stewart reported in March the Division received 5 complaints; opened 5 new cases; closed 5 case; leaving 42 appraisal cases open with the Division. There are a total of 9 cases now with the AG's office.

There was a stipulation to present, however there was an issue found in the order so that will not be presented until next month. There are no other enforcement stipulations for review.

EDUCATION AND LICENSING REPORT – Kendelle Christiansen

Mr. Fagergren reported the Division has completed a couple of stops on the Division Caravan and will be going to Logan tomorrow. There are only five seats remaining in the Logan meeting. However, the other larger venues are full. As part of his presentation at the Caravan, Mr. Fagergren discusses the declining appraiser statistics as well as the 3rd Exposure Draft.

Mr. Fagergren reported the impact of the 3rd Exposure Draft is pretty dramatic, if made effective. It may cause the Board to reconsider some rules, such as the rule regarding inspections. One of the big changes in the 3rd Exposure Draft is the addition of alternative experience and a reduced number of required hours. The alternative experience would also remove the requirement that half the experience may be accrued without a traditional client; all experience could be obtained without a traditional client. Mr. Fagergren briefly outlined some of the proposed options for how the alternative experience path would work as outlined by the proposed changes in the 3rd Exposure Draft. Mr. Fagergren noted this is a pretty major mind shift for how experience is acquired. Mr. Fagergren stated if the Board wanted to make comments regarding the 3rd Exposure Draft that the public comment period ends May 12, 2017. Chair Coleman-Nicholl asked Board Member Morley about the status of the letter he was going to draft regarding the 3rd Exposure Draft which was discussed in the meeting last month. Board Member Morley stated he was unable to get that letter finalized, but will have something prepared and ready to be sent to the Board this weekend and forwarded to the Board as soon as possible. Mr. Fagergren asked for the Board's general thoughts on the 3rd Exposure Draft with regards to getting experience without the traditional apprenticeship. Chair Coleman-Nicholl feels concerned about the alternative experience path without any sort of apprenticeship. Vice Chair Ulibarri stated that with these modules the devil is in the details; and if these modules require the trainee to perform a certain number of demonstration appraisal reports, that may be more instructive than a lot of apprenticeships that may be out there. Mr. Fagergren stated there was a very broad outline for what those modules might contain. Vice Chair Ulibarri stated that the state would be able to exceed the broad standard if they feel it is insufficient. Mr. Fagergren stated the Board will want to consider the 3rd Exposure Draft and the possible rule changes which they might want to change or add.

Mr. Fagergren reported he has met with some education providers. The Division and the providers feel there is merit in having the providers apply for approval of the events, rather than having the providers register the individual classes and the individual instructors for these one-time special events. At the next meeting, the Division will present a proposed rule change which would reflect this change.

Mr. Fagergren stated he received some more information from Rick Lifferth in favor of reducing the number of inspections which are required for appraiser trainees. Vice Chair Ulibarri stated he is in favor of reducing the number of required inspections down to 20 inspections based on comments received at the last meeting. Chair Coleman-Nicholl agrees that the requirement should be reduced but suggests reducing the amount by half to 50 inspections; she feels that 20 inspections might seem too low. Board Member Morley stressed that if a change is made that the language is clear that this is a minimum requirement which may be exceeded by the training appraiser. Board Member Morley stated he feels it should not be less than 20 and doesn't need to be more than 50; he would be fine with either number or somewhere in between. Vice Chair Ulibarri stated the AQB requirement does not state a minimum number of required inspections, but has language requiring competency. Chair Coleman-Nicholl stated that Mr. Barney drafted language for this change. Mr. Fagergren asked for clarification on the number of

inspections. The number of inspections was discussed at length. Ultimately, Chair Coleman-Nicholl advised Mr. Barney to draft the language for a minimum of 35 inspections and the requirement will be discussed in more depth in the meeting next month with the proposal.

Mr. Fagergren stated that due to the ASC Audit in July, the July meeting will be held on Thursday July 13, 2017 instead of at the usual time.

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:

Kyle Adams, LA Candidate

Disciplinary List

Lisle G. Adams, CR Renewal

Mark Williams, Continuing Education Instructor Applicant

Mr. Fagergren presented a disciplinary list of individuals approved for licensing by the Division since the last meeting.

HEARING OFFICER REPORT – Justin Barney

Mr. Barney stated there were no licensing stipulations for review.

Mr. Barney provided an updated on the AMC rule filing. He received an email from a member of an AMC who mistakenly understood that the rule filing had been withdrawn by the Board and replaced by new language. Mr. Barney stated he explained that is not exactly the process that happened. The proposed rule amendment is still in process, but there were some changes that the Board approved with the concurrence of the Division Director. Those changes will be open for public comment on or about May 1, 2017. Mr. Barney reported the change in that proposed rule was filed; and the filing with those changes will be published in the next publication and will be open to public comment. Any additional comments which come in will be considered. And the rule will not be effective until after August 24, 2017. Chair Coleman-Nicholl confirmed that is a 30 day public comment period. Mr. Barney stated he would keep the Board updated as the process moves forward.

BOARD AND INDUSTRY ISSUES

Chair Coleman-Nicholl opened the time to discuss the appraiser signature rules. She asked if the Board or the Division feel the language needs to be updated. She feels that the language does not need to be changed. Vice Chair Ulibarri agrees that there does not need to be a language change. Director Stewart stated that he and the Division do not have a position on this, and feel that industry members would have a better insight into this issue. He defers to the Board on this matter. The other Board Members stated they had no comments on the matter. Chair Coleman-Nicholl concluded, as there was a

seeming consensus that no change needed to be made, this item will be closed unless further information comes forward.

Mr. Barney stated for the meeting next month, the Division will try to bring several amendments prepared for discussion.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes.

CLOSED TO PUBLIC

An Executive Session was held from approximately 9:45 a.m. to 10:02 a.m.

OPEN TO PUBLIC

RESULTS OF EXECUTIVE SESSION

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:

Kyle Adams, LA Candidate – Approved

Disciplinary List

Lisle G. Adams, CR Renewal – Approved

Mark Williams, Continuing Education Instructor Applicant – Approved

A motion was made and seconded to adjourn the meeting. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes. The meeting adjourned at approximately 10:03 a.m.